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January 8, 2020

Via ECF Filing

Honorable Paul G. Gardephe
United States District Court
Southern District of New York
40 Foley Square, Room 2204
New York, New York 10007

Re: *MEF I, LP v. ShiftPixy, Inc.*, 19 Civ. 8019 (PGG)
Request for a Pre-Motion Conference

Dear Hon. Gardephe:

I represent MEF I, LP, the Plaintiff in this matter, and write this letter to request a pre-motion conference pursuant to Rule IV(A) of your Honor's individual practice rules with respect to a proposed motion to amend the Complaint and to move for additional immediate injunctive relief as detailed below. In this action, Plaintiff seeks, among other things, appointment of a receiver to take control over Defendant's assets pursuant to the Plaintiff's security interest in those assets and the parties' written agreement. By way of a motion presently *sub judice*, Plaintiff is seeking an injunction to prevent Defendant from transferring those assets while this case is pending.

While Plaintiff's motion is *sub judice*, Defendant transferred a material portion of its assets – the very assets in which Plaintiff holds a security interest. As stated by Defendant in a January 7, 2020 press release (a copy of which is attached), it has transferred “60% of its contracted book of business for \$20 million.” The press release continues, stating the Defendant intends to use the proceeds to fund its operations until it can “achieve cash flow breakeven...”

Plaintiff will be seeking to (a) amend its complaint to add another cause of action for breach and the turnover of the proceeds of the asset sale (up to the amount due Plaintiff) pursuant to Plaintiff's perfected security interest in those proceeds and the parties' written agreement, and (b) interpose a motion to specifically seek an injunction preventing the Plaintiff from using, selling, transferring or disposing of the proceeds from the asset sale.

Respectfully Submitted


Paul Rachmuth

Cc: Martin E. Karlinsky (via ECF)